



Block 1

Attached To

Tax Return

ATTACH TO COMBINED EXCISE TAX RETURN

BLOCK 2

NAME _____ REG. NO. _____
FIRM NAME _____
STREET ADDRESS _____
CITY, STATE, ZIP _____

INSTRUCTIONS

Schedule B should be used only when the rate of sales tax at the time of sale is different from the current rate on the tax return. When the rates are still the same, a bad debt may be taken directly off the tax return as a regular deduction would be. **NOTE: DO NOT** report the same bad debt as a retail sales tax deduction **AND** also as a credit listed on the Schedule B.

- a) To qualify as an allowable credit, the sale may have been made at any time and the state and local sales taxes remitted to the Department during any prior reporting period.
- b) If a debt has been collected in part, the uncollected amount, to the extent charged off the books, may be deducted.
- c) Credit may only be claimed for sales taxes paid on identified transactions. Amounts established on the books as a reserve for bad debts (reserve method of accounting) do not qualify. Credit may be claimed only once for each bad debt. All credit claimed is subject to audit.
- d) No refund or credit may be made for taxes, penalties, or interest paid more than four years prior to the beginning of the calendar year in which a refund or credit application is made or examination of records by the Department is completed.

Where a taxpayer has executed a written waiver of the limitations governing assessment under RCW 82.32.050 or 82.32.100, a refund or credit may be granted for taxes, penalties, or interest paid during, or attributable to, the years covered by such waiver if, prior to expiration of the waiver period, an application for a refund or credit of such taxes, penalties, or interest is made by the taxpayer or the Department discovers a refund or credit is due.

- a) *Block 1:* Enter the reporting period you are attaching this schedule to.
- b) *Block 2:* Enter the name and address of the business. **IMPORTANT: YOU MUST WRITE IN YOUR WASHINGTON STATE DEPARTMENT OF REVENUE REGISTRATION NUMBER.**
- c) Sales transactions should be grouped by date of sale and further sorted by location of sale (reference location code list published by the Department of Revenue).
- d) *Column 1:* Enter date of sale(s) as numeric month/year (e.g. 11/96).
- e) *Column 2:* Enter the location code of sale. If sales were made during this month in multiple locations, use a different line for each location code.
- f) *Column 3:* Enter the value of sales (excluding taxes and additional charges) claimed for bad debts for each location code.
- g) *Column 6:* Enter the total amount of state and local sales taxes paid to the state for each location code.
- h) *Columns 4 & 5:* For each tax entry in column 6, break the tax amount into the state & local (include any King County Food & Beverage and RTA) sales tax portions.
- i) If you need more space, use the back of this sheet. You may photo copy the form for more sheets. Write your registration number on each page.
- j) Total all column 6 entries. Enter this amount in the "Total" block on this form and on the "BAD DEBT TAX CREDIT" line on the Combined Excise Tax Return. Verify that the numbers are the same.
- k) Attach Schedule B behind the Combined Excise Tax Return.

[illegible]

Column 4	Column 5	Column 6		
State Sales Tax Claimed	Local Sales Tax Claimed	Total State And Local Taxes Claimed	For Department Use Only	For Department Use Only
SUB-TOTAL				

Signature _____

Phone

COMBINED TOTAL
All sales taxes claimed:

Post to BAD DEBT CREDIT line on
Combined Excise Tax Return

ATTACH TO COMBINED EXCISE TAX RETURN

B L O C K 2	NAME _____	REG. NO. _____
	FIRM NAME _____	
	STREET ADDRESS _____	
	CITY, STATE, ZIP _____	

[illegible]

REV 40 0011-2 (4-1-99)